

ARTICLE APPEARED
ON PAGE 5

HUMAN EVENTS
8 August 1981

Casey 1, Opponents

Six days after Sen. Barry Goldwater (R.-Ariz.), the chairman of the Senate Intelligence Committee, called on William J. Casey to resign as Director of Central Intelligence (DCI), Goldwater and the other members of the Committee unanimously declared that "no basis has been found for concluding that Mr. Casey is unfit to serve as DCI." The statement followed the panel's five-hour closed meeting with Casey on July 29 and a review by the committee staff of the charges that had been made against the CIA Director.

Although the inquiry into Casey's business dealings and his appointment of Max Hugel is not at an end—a few points will be followed up by the Committee staff—the events of the last week or so represent a vindication of Casey, who, by all accounts, has moved assertively to strengthen the CIA, and a slap in the face to three members of the Intelligence Committee—Goldwater, Joseph Biden (D.-Del.), and William Roth (R.-Del.)—and Sen. Ted Stevens (R.-Alaska), who called on Casey to resign.

Perhaps the most curious aspect of the affair was the performance of Sen. Goldwater, a stalwart of the GOP and a long-time favorite of conservatives. The Arizonan, who recently pushed the appointment of Sandra O'Connor to the Supreme Court and labeled the Moral Majority; her strongest opposition, as "fascist," grabbed front-page headlines by leading the assault on Casey, a personal friend of President Reagan.

On July 23, while the "Casey affair" was heating up, Goldwater called a news conference to deny a CBS report that he had privately urged Casey to resign. He had called the item a "malicious lie." Under the impression he was going to defend the CIA director, White House officials were dumbfounded when Goldwater publicly called for Casey's ouster, saying the appointment of Max Hugel was sufficient cause "for either Mr. Casey to decide to retire or for the President to ask him to retire." Goldwater also questioned Casey's involvement in a New Orleans firm called Multiponics. "I believe he's made the statement that he lost \$150,000. We had been told he made over \$750,000," Goldwater said.

The next day, Casey, who had the strong support of President Reagan throughout the controversy, issued a statement saying that Goldwater had been provided with inaccurate information.

Rather than making \$750,000, Casey said, "I lost my investment and materials being submitted will substantiate that fact." Those materials were delivered to the Intelligence Committee on Sunday, July 26.

But Goldwater, Sen. Roth, and Sen. Stevens weren't willing to wait for an investigation into the matter. On July 24 Stevens, the majority whip, said Casey should leave "for the good of the agency." On the same day, Sen. Roth, up for reelection next year, declared that "The Director of the CIA must be above suspicion, and to borrow a phrase from President Eisenhower, 'cleaner than a hound's tooth.'" He said, "I believe it is impossible for Mr. Casey to effectively discharge his duties," adding, "He should go—now."

Adding his voice to the chorus, Sen. Biden (D.-Del.) told the *New York Times*, "I hope he's not on the job Monday."

It was left to a Democratic member of the committee, Sen. Henry M. Jackson (D.-Wash.), to express the sentiments of many who believed that Casey was being railroaded. In a July 26 appearance on "Meet the Press," Jackson said, "it looks like they're trying to lynch him in public," adding, "I think very clearly they are trying to do Mr. Casey in without an opportunity to be heard." Jackson said the Hugel appointment was a mistake, but that he was unable to explain the other "so-called issues" coming to the fore "all of a sudden."

The truth is that the Hugel appointment, as Sen. Paul Laxalt (R.-Nev.) pointed out in a July 25 news conference called to defend Casey, was a matter of intense consideration within the agency and the consensus was actually developed within the agency to go with Mr. Hugel. CIA Deputy Director Admiral Bobby Inman, who was Goldwater's first choice to head the CIA, has stated publicly that he supported the Hugel appointment. Furthermore, although Casey has taken full responsibility for the Hugel selection, Casey also says that Hugel's name was proposed by another top CIA official. It was thought that Hugel's experience as an international businessman could be extremely valuable to the CIA.

In light of the facts in the case, the Hugel appointment, according to Goldwater logic, was sufficient cause for the entire top echelon of the CIA to be dismissed. But Goldwater only wanted Casey out. Columnists Evans and Novak explained that